

Los Angeles County Board of Supervisors October 23, 2007

Gloria Molina First District

Yvonne B. Burke Second District

TO:

Each Supervisor

Zev Yaroslavsky Third District

FROM:

Bruce A. Chernof, M.D.

Don Knabe Fourth District

NOTIFICATION OF USE OF DELEGATED

Director and Chief Medical Office

Michael D. Antonovich

SUBJECT:

AUTHORITY TO EXECUTE AN AGREEMENT WITH HEMACARE CORPORATION FOR THE PROVISION

OF THERAPEUTIC HEMAPHERESIS SERVICES

Bruce A. Chernof, MD Director and Chief Medical Officer

> John R. Cochran III Chief Deputy Director

Robert G. Splawn, MD Senior Medical Director This is to advise your Board that the Department of Health Services (DHS) is exercising its delegated authority, authorized on August 15, 2006, (see attached Board letter), to execute the above referenced Agreement.

The Agreement with HemaCare Corporation is for the provision of therapeutic hemapheresis services at DHS medical facilities. County Counsel and the Chief Executive Office approved the form agreement.

313 N. Figueroa Street, Suite 912 Los Angeles, CA 90012

> Tel: (213) 240-8101 Fax: (213) 481-0503

If you have any questions or require additional information, please let me know.

BAC:ma

boardmemohemacare.wpd

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Attachment

c: Chief Executive Officer County Counsel

Executive Officer, Board of Supervisors



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Los Angeles County **Board of Supervisors** August 15, 2006

· Gloria Molina

First District Yvonne B. Burke

Zev Yaroslavsky Third District

Don Knabe Fourth District The Honorable Board of Supervisors County of Los Angeles. 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors: Michael D. Antonovich

AUG 1 5 2006

Fifth District

Bruce A. Chemof. MD

John R. Cochran III Chief Deputy Director

William Loos, MD Acting Senior Medical Officer

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IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee, to offer and sign Amendment No. 1 to the current Agreements with HemaCare Corporation (HemaCare) (County Contract No. 212909), Hemodialysis, Incorporated (Hemodialysis) (County Contract No. H207812), and HaemoStat, Incorporated (HaemoStat) (County Contract No. H213088) substantially similar to Exhibits I, II, and III, to extend the term effective upon the date of Board approval through August 31, 2007, to continue the provision of therapeutic hemapheresis services at Harbor/UCLA Medical Center (Harbor/UCLA), LAC+USC Medical Center (LAC+USC), Martin Luther King Jr./Charles R. Drew Medical Center (King/ Drew), and Olive View Medical Center (Olive View), to allow time for a replacement agreement to be completed, at a total estimated annual (i.e., September 1st through August 31st) net County cost of \$636,500.

APPROVAL OF THREE THERAPEUTIC HEMAPHERESIS SERVICES AGREEMENT AMENDMENTS

(All Districts) (3 Votes)

- Delegate authority to the Director of Health Services, or his designee, to offer and sign a new therapeutic hemapheresis replacement agreement form with HemaCare (County Contract No. 212909), Hemodialysis, (County Contract No. H207812), and HaemoStat (County Contract No. H213088) to update the contract form, effective on the date of approval by the parties through August 31, 2009, with fee schedules remaining unchanged, subject to review and approval by County Counsel, the Chief Administrative Office and notification of the Board.
- Delegate authority to the Director of Health Services, or his designee, to offer and sign a form therapeutic hemapheresis agreement to allow other licensed and qualified therapeutic hemapheresis providers to provide services under the same terms and conditions and fee schedules, substantially similar to the therapeutic hemapheresis replacement agreement form with HemaCare, Hemodialysis, and HaemoStat, effective on the date of approval by the parties through August 31, 2009, to provide for an



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additional provider(s) to serve Harbor/UCLA, LAC+USC, King/Drew, and Olive View, and/or a new provider at other County facilities, subject to review and approval by County Counsel, the Chief Administrative Office and notification of the Board.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS

In approving the recommended actions, the Board is approving the extension of existing therapeutic hemapheresis agreements with Hemacare, Hemodialysis, and Haemostat, to continue needed services while allowing time to do a replacement agreement (e.g., to revise format), which in turn, will continue to be offered to other licensed and qualified therapeutic hemapheresis service providers on an as needed basis, as approved by the Director of Health Services, or his designee, to enable the Department of Health Services (DHS or Department) to ensure provision of necessary therapeutic hemapheresis services.

These services provide clinical treatment of autoimmune diseases and blood disorders by removing selected, abnormal components or cells from a patient's blood and then returning the blood to the patient.

FISCAL IMPACT/FINANCING:

The total estimated annual (September 1st through August 31st) cost for all three contractors is \$636,500, or a total cost of \$1,909,500 for the three year agreement term.

Funding is included in the Fiscal Year 2006-07 Final Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Since August 19, 1997, therapeutic hemapheresis services have been obtained under contract. On August 21, 2001, the Board approved agreements with HemaCare and HaemoStat, effective on the date Board approval through August 31, 2002, with provisions for four one-year automatic renewals through August 31, 2006, including delegated authority for the Director of Health Services, or his designee, to offer and sign similar form agreements to any other licensed and qualified therapeutic hemapheresis service providers, at a total estimated annual net County cost of \$535,001. On August 19, 2002, under delegated authority, the Department entered into a therapeutic hemapheresis services agreement with Hemodialysis, effective October 1, 2002 through August 31, 2003, with three one-year automatic renewals through August 31, 2006, at an estimated annual net County cost of \$180,167.

Attachment A provides additional information.

County Counsel has approved the Amendments (Exhibits I, II and III) as to form.

CONTRACTING PROCESS:

On April 23, 2001, the Department released a Request for Qualifications (RFQ) for Therapeutic Hemapheresis Services seeking services for Harbor/UCLA, LAC+USC, King/ Drew, and Olive View Medical Centers. By May 31, 2001, the RFQ response submission deadline, responses were received from only two firms: HemaCare Corporation and HaemoStat, Inc. On August 21, 2001, the Board

The Honorable Board of Supervisors August 15, 2006 Page 3

approved awarding agreements to the two firms and any other licensed qualified firm (as determined by Director) under the same terms and conditions as these two agreements.

IMPACT OF CURRENT SERVICES (OR PROJECTS):

Board approval of the three agreements, and any subsequent agreement(s) with qualified contractors, will provide the Medical Centers with a pool of contractors from which to select for the provision of therapeutic hemapheresis services.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

Bruce A. Chernof, M.D.

Director and Chief Medial Officer

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Attachments (4)

c: Chief Administrative Officer County Counsel Executive Officer, Board of Supervisors Auditor Controller

SUMMARY OF AMENDME

b. Hemodialysis, Inc.

Attention:

Telephone:

Contract No.:

Facsimile:

710 West Wilson Avenue

Glendale, California 91203

Mr. Mark Perez, Acute

818) 240-9970

(818) 507-5678

H-207812 '

electronic mail: marcosdperez@cs.com

Mobile Dialysis Supervisor

TYPE OF SERVICE:

As-needed therapeutic hemapheresis services for Department of Health Services' medical centers.

AGENCIES ADDRESSES AND CONTACT PERSONS:

a. · HemaCare Corporation:

4954 Van Nuys Boulevard, Suite 201

Sherman Oaks, California 91403

Attention:

Ms. Tamia Roberts, Associate.

Director of Marketing

Telephone: Facsimile:

(818) 728-8863

(818) 386-6522 Contract No.: H-212909

electronic mail: troberts@hemacare.com

HaemoStat, Inc.

7247 Hayvehurst Avenue, Unit A-1

Van Nuys, California 91406

Attention: Ms. Pam Saffire, Area Manager

Telephone: Facsimile:

(818) 376-4033 (818) 994-2744

Contract No.: H-213088

electronic mail: pamela.saffire@fmc-na.com

3. <u>TERM</u>:

Amendment effective upon the date of Board approval through August 31, 2007. Replacement agreement effective on the date approved by the parties through August 31, 2009.

FINANCIAL INFORMATION:

The total estimated annual (September 1st through August 31st) cost for all three contractors is \$636,500, or a total cost of \$1,909,500 for the three year agreement term. Funding is included in the Fiscal Year 2006-07 Final Budget and will be requested in future fiscal years.

PROGRAM INFORMATION:

The agreements provide for therapeutic hemapheresis services at LAC+USC, Harbor-UCLA, Martin Luther King, Jr./Drew, and Olive View-UCLA Medical Centers.

APPROVALS:

Office Laboratory Consolidation:

W. Stephen Matthews, Ph.D.

LAC+USC Healthcare Network:

Pete Delgado, Chief Executive Officer

Harbor/UCLA Medical Center:

Tecla A. Mickoseff, Chief Executive Officer

King/Drew Medical Center:

Antionette Smith Epps, Chief Executive Officer

Olive View/UCLA Medical Center:

Melinda Anderson, Chief Executive Officer

Contract Administration:

Cara O'Neill, Chief

County Counsel (as to form):

Christina Salseda, Deputy County Counsel-